



ASX / MEDIA RELEASE

FRIDAY, 10 AUGUST 2007

ARTICLE IN TODAY'S AUSTRALIAN FINANCIAL REVIEW

Further to our previous announcement today and as reported in this morning's Australian Financial Review we confirm that City Pacific is in discussions with MFS Limited.

Shareholders are advised that all discussions are presently incomplete and no formal proposal has been received or made.

We will keep the market informed in accordance with our disclosure obligations.

ENDS

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